

CITY OF BISMARCK DEFERRED SICK LEAVE FUND
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2003

	May-03				April-03				March-03				December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR				
LARGE CAP DOMESTIC EQUITY																								
<i>Structured Growth</i>																								
AllianceBernstein	11,218	1.9%	1.5%	3.11%	10,885	1.9%	1.5%	7.08%	9,658	1.7%	1.5%	-0.09%	7,081	1.3%	1.5%	2.89%	6,881	1.3%	1.5%	-13.54%	-1.87%	-28.65%	N/A	N/A
Russell 1000 Growth				4.99%				7.39%				-1.07%				7.15%				-15.05%	1.53%	-26.49%	N/A	N/A
<i>Structured Value</i>																								
LSV	8,990	1.5%	1.5%	8.88%	8,264	1.4%	1.5%	7.97%	7,274	1.3%	1.5%	-5.73%	7,942	1.4%	1.5%	6.53%	7,457	1.4%	1.5%	-18.60%	-3.91%	2.41%	N/A	N/A
Russell 1000 Value				6.46%				8.80%				-4.86%				9.22%				-18.77%	-2.24%	-8.96%	N/A	N/A
<i>S&P 500 Index</i>																								
State Street	43,481	7.2%	7.0%	5.26%	41,307	7.1%	7.0%	8.26%	36,260	6.4%	7.0%	-3.17%	36,992	6.6%	7.0%	8.41%	34,121	6.3%	7.0%	-17.26%	-1.03%	-18.03%	N/A	N/A
S&P 500				5.27%				8.24%				-3.15%				8.44%				-17.28%	-1.01%	-17.99%	N/A	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	63,689	10.5%	10.0%	5.36%	60,456	10.3%	10.0%	8.00%	53,192	9.4%	10.0%	-3.02%	52,015	9.2%	10.0%	7.34%	48,458	9.0%	10.0%	-16.96%	-1.63%	-16.89%	N/A	N/A
S&P 500				5.27%				8.24%				-3.15%				8.44%				-17.28%	-1.01%	-17.99%	N/A	N/A
SMALL CAP DOMESTIC EQUITY																								
<i>Manager-of-Managers</i>																								
SEI	33,765	5.6%	5.0%	10.55%	30,553	5.2%	5.0%	9.39%	25,539	4.5%	5.0%	-4.21%	26,662	4.7%	5.0%	4.91%	25,415	4.7%	5.0%	-19.31%	-1.94%	-11.77%	N/A	N/A
Russell 2000 + 200bp				10.90%				9.65%				-4.00%				6.68%				-20.97%	-1.58%	-7.96%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	33,765	5.6%	5.0%	10.55%	30,553	5.2%	5.0%	9.39%	25,539	4.5%	5.0%	-4.21%	26,662	4.7%	5.0%	4.91%	25,415	4.7%	5.0%	-19.31%	-1.94%	-11.69%	N/A	N/A
Russell 2000				10.73%				9.48%				-4.49%				6.16%				-21.40%	-3.38%	-8.59%	N/A	N/A
CONVERTIBLES																								
TCW	64,143	10.6%	10.0%	4.96%	61,077	10.5%	10.0%	6.19%	57,658	10.2%	10.0%	1.16%	56,988	10.1%	10.0%	8.15%	52,693	9.7%	10.0%	-10.05%	9.69%	-20.37%	N/A	N/A
First Boston Convertible Index				4.44%				5.25%				3.82%				9.83%				-8.47%	14.72%	-12.44%	N/A	N/A
INTERNATIONAL EQUITY																								
<i>Large Cap - Active</i>																								
Capital Guardian	57,324	9.5%	9.0%	4.06%	54,982	9.4%	9.0%	9.84%	46,323	8.2%	9.0%	-10.00%	51,463	9.1%	9.0%	7.30%	48,020	8.9%	10.0%	-20.58%	-12.33%	-12.10%	N/A	N/A
MSCI EAFE - 50% Hedged				4.41%				9.18%				-9.03%				4.04%				-20.02%	-13.71%	-14.62%	N/A	N/A
<i>Small Cap - Value</i>																								
Lazard	6,625	1.1%	1.0%	8.37%	6,256	1.1%	1.0%	10.52%	5,215	0.9%	1.0%	-7.11%	5,622	1.0%	1.0%	N/A	-	0.0%	10.0%	N/A	N/A	N/A	N/A	
SSB BROAD MARKET INDEX < \$2BN				8.40%				8.30%				-2.09%				N/A				N/A	N/A	N/A	N/A	
TOTAL INTERNATIONAL EQUITY	63,949	10.6%	10.0%	4.49%	61,237	10.5%	10.0%	9.91%	51,539	9.1%	10.0%	-9.71%	57,084	10.1%	10.0%	7.81%	48,020	8.9%	10.0%	-20.58%	-11.22%	-12.10%	N/A	N/A
MSCI EAFE - 50% Hedged				4.41%				9.18%				-9.03%				4.04%				-20.02%	-13.71%	-14.62%	N/A	N/A
DOMESTIC FIXED INCOME																								
<i>Core Bond</i>																								
Western Asset	177,204	29.3%	30.0%	2.12%	173,802	29.7%	30.0%	1.70%	177,087	31.4%	30.0%	2.16%	177,445	31.5%	30.0%	2.96%	173,437	32.0%	30.0%	3.51%	13.08%	8.36%	N/A	N/A
Lehman Aggregate				1.86%				0.83%				1.39%				1.57%				4.58%	10.61%	8.62%	N/A	N/A
<i>Index</i>																								
Bank of ND	97,905	16.2%	18.0%	2.77%	94,935	16.2%	18.0%	1.05%	97,346	17.3%	18.0%	1.65%	94,130	16.7%	18.0%	1.65%	97,153	17.9%	18.0%	5.96%	13.69%	8.38%	N/A	N/A
Bank of ND CD'S	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	N/A	N/A
Total Index	97,905	16.2%	18.0%	2.77%	94,935	16.2%	18.0%	1.05%	97,346	17.3%	18.0%	1.65%	94,130	16.7%	18.0%	1.65%	97,153	17.9%	18.0%	5.96%	13.69%	8.14%	N/A	N/A
Lehman Gov/Credit				2.84%				1.07%				1.65%				1.73%				5.70%	13.60%	8.24%	N/A	N/A
<i>BBB Average Quality</i>																								
Strong	76,662	12.7%	12.0%	3.38%	74,230	12.7%	12.0%	2.62%	75,006	13.3%	12.0%	3.29%	71,377	12.7%	12.0%	4.48%	68,764	12.7%	12.0%	3.08%	18.01%	N/A	N/A	N/A
Lehman US Credit BAA				3.72%				2.77%				3.40%				4.59%				2.70%	18.39%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	351,771	58.1%	60.0%	2.57%	342,968	58.7%	60.0%	1.72%	349,438	62.0%	60.0%	1.63%	342,952	60.8%	60.0%	2.89%	339,355	62.7%	60.0%	4.11%	10.73%	7.55%	N/A	N/A
Lehman Gov/Credit				2.84%				1.07%				1.65%				1.73%				5.70%	13.60%	8.24%	N/A	N/A
CASH EQUIVALENTS																								
Bank of ND	27,934	4.6%	5.0%	0.11%	28,171	4.8%	5.0%	0.11%	26,187	4.6%	5.0%	0.35%	27,918	5.0%	5.0%	0.41%	27,438	5.1%	5.0%	0.48%	1.47%	2.41%	N/A	N/A
90 Day T-Bill				0.10%				0.09%				0.30%				0.43%				0.45%	1.38%	2.63%	N/A	N/A
TOTAL DEFERRED SICK LEAVE FUND	605,251	100.00%	100.00%	3.61%	584,461	100.00%	100.00%	3.79%	563,553	100.00%	100.00%	0.05%	563,619	100.00%	100.00%	4.11%	541,379	100.00%	100.00%	-3.28%	8.35%	-1.31%	N/A	N/A
POLICY TARGET BENCHMARK				3.61%				3.29%				0.00%				3.68%				-2.54%	8.14%	0.17%	N/A	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.